



**DFAS**

# ***"The State of DFAS"***

**TOM BLOOM**  
**Director, DFAS**

***Your Financial Partner @ Wo***



\* Who we are  
\* Our accomplishments  
\* The way ahead

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# *Who we are*

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- **Great people, with a clear mission, serving America's best**
- **World's largest finance and accounting operation**
- **Established in 1991 based on DMRD 910**
- **Worthy of a Harvard business case study**
- **"Your Financial Partner @ Work"**

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# ***DFAS Mission***

**“Provide responsive, professional finance and accounting services to the Department of Defense”**



***Ultimately, success is defined by how well we support commanders and the individual Soldier, Sailor, Airman, Marine, DoD Civilian, military retiree and annuitant.***



# *World's Largest Finance and Accounting Operation!*

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## Annual figures

- 5.4M military, civilians, retirees, annuitants paid
- \$288B in disbursements
- \$222B in Foreign Military Sales Trust Fund
- \$162B Retirement Trust Fund manager
- 144M invoices paid
- 100M accounting transactions
- 5.4M travel payments
- 156 active DoD appropriations

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# ***Accountable Performance***

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- **Annual performance contract with the Defense Management Council**
- **Criteria: quality, quantity, problem disbursements, and unit cost**
- **Accomplishment requires strong partnership with customers (FY99: Met 31 of 37 targets)**



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\* our accomplishments

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# ***Key Management Activities***

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- **Visits to Centers and OPLOCs**
- **Visits with customers**
- **Director's Corporate Reviews (DCR)**
- **DFAS Management Council**
- **Offsites including OPLOC Directors**

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# ***Key Management Activities (con't)***

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- **Reorganization (Indy, Columbus, and HQ)**
- **Systems management**
- **Electronic Commerce**
- **Visits with private industry**
- **DFAS Board of Directors**

# ***Taking Care of People***

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- **Training**
- **Partnership with Unions**
- **Individual Development Plans**
- **Town Hall meetings**
- **Straight Talk**
- **Organizational Assessment Survey**

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# ***Customer Focused Organization***

- **Communication with customers**
- **Director's Corporate Review**
- **Columbus, Indianapolis Centers realigned**
- **Customer service call center operations**
- **Employee/Member Self Service (E/MSS)**
- **Customer Surveys**
- **Business best practices**
- **Billing incentives**



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# ***Competitive Sourcing Program***

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- **Ultimate goal: Better Service, Lower Cost**
- **Changed process to encourage competition**
- **Drawing on world class firms to identify “Best Practices”**
- **Used a senior level working group consisting of our business partners**
- **Will meet DoD A-76 targets**
- **Retiree & Annuitant Pay and Civilian Pay studies**

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\*The way ahead

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# ***DFAS Vision***

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- **World Class provider of finance and accounting services,  
with a strong corporate identity**
- **Trusted, innovative financial advisor**
- **Employer of choice, providing a progressive and professional work environment**
- **Competitive, best value to customers**

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# ***Organizational Change***

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## ***Concept***

- **DFAS must improve business practices to be competitive**
- **Shift from geographic focus to business line focus (Accounting Services, People Pay, Commercial Pay)**
- **Sharpen focus on customer service**
- **Improve internal delivery of RM, IT and HR support to the business lines**
- **Implement over next 12 - 18 months**

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# ***DFAS Director's Priorities***

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- **Customer relations management**
- **Systems management (migratory systems development and legacy systems maintenance)**
- **DFAS image**
- **Quality of accounting information**
- **Training**

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# DFAS



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